

D.C. Economic Indicators

April 2004 Volume 4, Number 7

Government of the District of Columbia

Dr. Natwar M. Gandhi, Chief Financial Officer

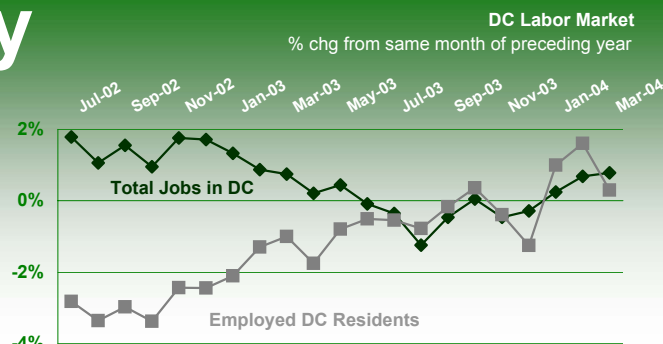
Dr. Julia Friedman, Deputy CFO for Revenue Analysis



Labor & Industry

➔ Jobs in D.C. for Mar. 2004 up 4,800 (0.7%) from 1 year ago

➔ District resident employment for Mar. 2004 up 700 (0.3%) from 1 year ago



Labor Market ('000s): March 2004^a

| | D.C. | | Metro area | |
|------------------------------------|-------|-----------|------------|-----------|
| | Level | 1 yr. ch. | Level | 1 yr. ch. |
| Employed residents | 282.1 | 0.7 | 2,790.1 | 60.0 |
| Labor force | 302.6 | 0.9 | 2,881.9 | 47.1 |
| Total wage and salary employment | 670.0 | 4.8 | 2,861.4 | 60.6 |
| Federal government | 191.7 | -0.9 | 344.4 | 2.5 |
| Local government | 38.2 | -0.2 | 294.4 | 6.2 |
| Leisure & hospitality | 50.4 | 1.2 | 234.0 | 8.3 |
| Trade | 21.4 | 0.2 | 334.2 | 11.2 |
| Services | 290.8 | 5.5 | 1,072.8 | 25.1 |
| Other private | 77.5 | -1.0 | 581.6 | 7.3 |
| Unemployed | 20.6 | 0.2 | 91.8 | -13.0 |
| New unempl. claims (state program) | 1.4 | -0.2 | | |

Sources: U.S. Bureau of Labor Statistics (BLS) & D.C. Dept. of Employment Services (DOES)

^a not seasonally adjusted

Private Employment ('000s): March 2004

| | Level | 1 yr. change | |
|--------------------------|-------|--------------|-------|
| | | Amt. | % |
| Manufacturing | 2.5 | -0.1 | -3.8 |
| Construction | 13.3 | 0.2 | 1.5 |
| Wholesale trade | 4.3 | -0.2 | -4.4 |
| Retail trade | 17.1 | 0.4 | 2.4 |
| Utilities & transport. | 6.2 | -0.3 | -4.6 |
| Publishing & other info. | 24.4 | -1.0 | -3.9 |
| Finance & insurance | 19.7 | -0.1 | -0.5 |
| Real estate | 11.4 | 0.4 | 3.6 |
| Legal services | 34.8 | 0.5 | 1.5 |
| Other profess. ser. | 61.9 | 3.2 | 5.5 |
| Empl. Serv. (incl. temp) | 10.0 | -1.0 | -9.1 |
| Mgmt. & oth. bus serv. | 36.1 | 1.3 | 3.7 |
| Education | 39.8 | 1.1 | 2.8 |
| Health care | 53.1 | 1.1 | 2.1 |
| Organizations | 49.9 | 0.5 | 1.0 |
| Accommodations | 14.9 | 0.3 | 2.1 |
| Food service | 29.5 | 0.9 | 3.1 |
| Amuse. & recreation | 6.0 | 0.0 | 0.0 |
| Other services | 5.2 | -1.2 | -18.7 |
| Total | 440.1 | 5.9 | 1.4 |

^b Source: Smith Travel Research ^c Source: Metropolitan Washington Airports Authority & Maryland

Aviation Administration Authority ^d weighted average

Source: BLS. Details may not add to total due to rounding.

D.C. Hotel Industry^b

| Mar. 2004 | Amt. | 1 yr. ch. |
|----------------------|----------|-----------|
| Occupancy Rate | 84.0% | 9.9 |
| Avg. Daily Room Rate | \$169.43 | \$6.79 |
| # Available Rooms | 26,229 | 556 |

Airport Passengers^c

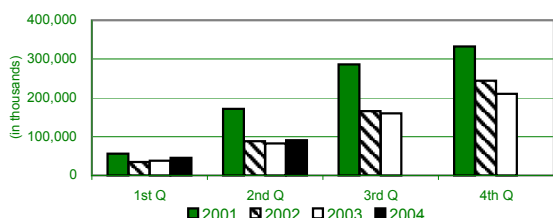
| Mar. 2004 | Amt.('000) | 1 yr. % ch. |
|-----------|------------|-------------------|
| Reagan | 1,397.0 | 15.8 |
| Dulles | 1,578.7 | 16.0 |
| BWI | 1,852.6 | 14.4 |
| Total | 4,828.3 | 15.3 ^d |

Revenue

➔ FY 2004 (Oct.-Apr.) business income tax collections up 2.5% from 1 year ago

➔ FY 2004 (Oct.-Apr.) total tax collections up 10.0% from 1 year ago

Cumulative Business Income Tax Collections by Fiscal Year
(Corporation and Unincorporated Business Franchise Taxes)



^a Adjusted to exclude large one-time events and for changes in processing flows between FYs that distort current underlying economic trends. This does not, therefore, report actual year-over-year revenue growth for the budget.

^b Includes sales taxes allocated to the Convention Center.

^{***} Not meaningful due to payment timing or processing factors.

Note: Growth rates in some taxes reflect legislated changes in tax rates.

Adjusted General Fund
Revenue Collections^a

| | year-to-date % change | |
|------------------------------|-----------------------------|-----------------------------|
| | FY 2004 (Oct 03 -Apr 04) | FY 2003 (Oct 02 -Apr 03) |
| Property Taxes | 8.4 | 22.0 |
| General Sales ^b | 9.1 | 3.8 |
| Individual Income | 3.3 | -0.5 |
| Business Income | 2.5 | 3.8 |
| Utilities | 1.6 | 19.9 |
| Deed Transfer | 50.1 | 49.9 |
| All Other Taxes | 35.5 | -3.0 |
| Total Tax Collections | 10.0 | 7.2 |

Addenda:

| | | |
|--|-----|-----|
| Indiv. Inc. tax withholding for D.C. residents | 7.3 | 4.0 |
| Sales tax on hotels and restaurants allocated to Convention Center | 3.3 | 9.4 |

Source: D.C. Office of Tax and Revenue and Office of Revenue Analysis

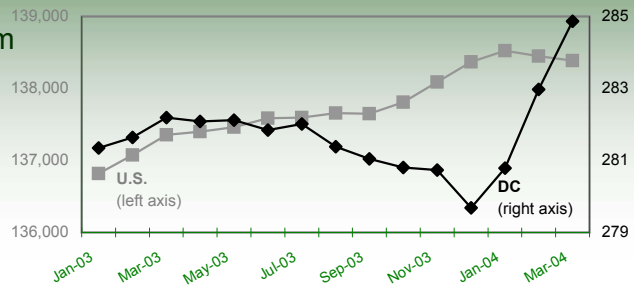
All data subject to revision.

† Indicates data revised by stated source since previous D.C. Economic Indicators.

See past editions at <http://cfo.dc.gov>

People & Economy

National & Local Employment Levels
Labor Force Data, Seasonally Adjusted
3-month moving average
(in thousands)



➔ D.C. unemployment rate for Apr.: 7.3%, up from 6.9% last month & up from 7.1% 1 year ago

➔ Home mortgage rate for Apr.: 5.8%, up from 5.4% last month & same as 1 year ago

| U.S. GDP | | | CPI | | | D.C. Population | | |
|--|-------------------------|------------------------|--------------------------------------|-------------------------|-----------|--|-----------|-----------|
| Source: BEA | % change for yr. ending | | Source: BLS | % change for yr. ending | | Source: Census | Level | 1 yr. ch. |
| | 1 st Q 2004 | 4 th Q 2003 | | Mar. 2004 | Jan. 2004 | | | |
| Nominal | 6.7 [†] | 6.0 | U.S. | 1.7 | 1.9 | Estimate for: | | |
| Real | 4.9 | 4.3 | D.C./Balt. metro area | 1.9 | 2.2 | July 1, 2000 | 571,437 | 1,224 |
| Personal Income^a | | | Unemployment Rate^c | | | July 1, 2001 | 572,716 | 1,279 |
| Source: BEA | % change for yr. ending | | Source: BLS | Apr. 2004 | | July 1, 2002 | 569,157 | -3,559 |
| Total Personal Income | 4 th Q 2003 | 3 rd Q 2003 | | Mar. 2004 | | July 1, 2003 | 563,384 | -5,773 |
| U.S. | 4.4 | 3.6 | U.S. | 5.6 | 5.7 | Components of Change from July 1, 2002 | | |
| D.C. | 2.9 | 2.6 | D.C. | 7.3 | 6.9 | Natural Births | 7,910 | Total |
| Wage & Salary Portion of Personal Income | | | Interest Rates | | | Deaths | 6,164 | 1,746 |
| U.S. | 3.1 | 2.7 | Source: Federal Reserve | Apr. 2004 | Mar. 2004 | Net Migr. | Net Int'l | 4,180 |
| Earned in D.C. | 2.7 | 3.4 | 1-yr. Treasury | 1.4 | 1.2 | Net Dom. | (11,837) | (7,657) |
| Earned by D.C. res'd ^b | 1.9 | 2.5 | Conv. Home Mortgage | 5.8 | 5.4 | Net Change ^d | | (5,773) |

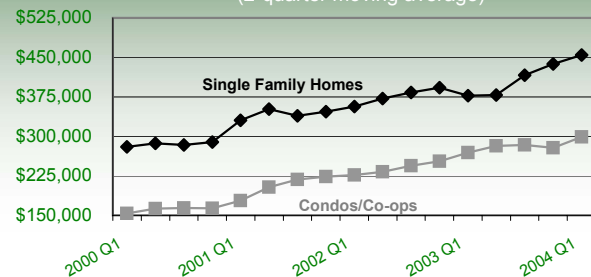
^a Nominal ^b estimated ^c seasonally adjusted ^d Includes federal resident employee movement (military/civilian) and the statistical residual

Housing & Office Space

➔ Average single-family home sale price in 1st Q 2004 up 30.6% from 1 year ago

➔ Office space under construct. in 1st Q 2004 up 10.4% from 4th Q 2003

Average District Home Sale Prices
(2-quarter moving average)



| Housing Sales | | | D.C. Housing Permits Issued | | | D.C. Commercial Office Space | | |
|---------------------------|------------------------|-------------|---|------------------------|-----------|---|------------------------|------------|
| Source: MRIS ^a | 4 Qs ending | 1 yr. % ch. | Source: U.S. Census Bureau | 4 Qs ending | 1 yr. ch. | Source: Delta Associates | | |
| Completed contracts | 1 st Q 2004 | | | 1 st Q 2004 | | Vacancy Rate (%) | 1 st Q 2004 | 1 qtr. ch. |
| Single family | 5,961 | 6.7 | Total housing units | 959 | -1,197 | Excl. sublet space | 5.9 | 0.3 |
| Condo/Co-op | 3,713 | 13.3 | Single family | 197 | -178 | Incl. sublet space | 7.1 | 0.0 |
| Prices (\$000) | 1 st Q 2004 | 1 yr. % ch. | Multifamily (units) | 762 | -1,019 | Class A Market Rate Apt. Rentals^d | | |
| Single family | | | Class A Market Rate Apt. Rentals^d | | | Inventory Status ^e | 1 st Q 2004 | 1 qtr. ch. |
| Median ^b | \$330.0 | 27.0 | Source: Delta Associates | 1 st Q 2004 | 1 yr. ch. | Total Inventory | 110.3 | 0.3 |
| Average ^c | \$467.6 | 30.6 | Apartment units currently | | | Leased space ^f | 103.8 | -0.1 |
| Condo/Co-op | | | under construction | 3,395 | -1,327 | Occupied space ^g | 102.4 | 0.2 |
| Median ^b | \$299.0 | 20.6 | Add'l planned units likely | | | Under construction | | |
| Average ^c | \$328.6 | 16.3 | within next 36 months | 1,086 | -553 | or renovation | 5.4 | 0.5 |

^a Metropolitan Regional Information System as reported by the Greater Capital Area Association of Realtors ^b Median for Mar. ^c 1st quarter average

^d Investment grade units, as defined by Delta ^e In million square feet ^f Calculated from vac. rate excl. sublet ^g Calculated from vac. rate incl. sublet